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# Soviets' constant deception on spending for defense confuses Western analysts

## DEFENSE REPORT / ALBERT WEEKS

When Mark Twain complained about the "three kinds of lies — lies, damned lies, and statistics," he didn't dream that a government would appear on earth with a policy of active dissimulation and propagation of myriads of "damned lies." The founder of the Soviet state, however, is on record with the statement that "telling the truth is a bourgeois prejudice."

Manipulation of statistics and double accounting have become boilerplated Soviet traditions, for both domestic and foreign consumption. Ex-Soviet officials now living in the West have given plenty of evidence of official juggling with figures in order to convey a certain impression.

This is one of the reasons that revelations about true official figures is punishable as a capital crime in the Soviet Union under Articles 75 and 76 of the Criminal Code, even where the intent is not "reason" per se.

On top of this, Soviet economic reports conceal arms expenditures by distributing them — unspecifically, of course — among several ministries whose investment and output plans are known to include large amounts of arms production. Ferreting them out by remote Western analysis is well nigh impossible.

So, it is no wonder that our intelligence officials — whether in the CIA or Defense Intelligence Agency (DIA) — and our objective-minded scholars get confused as to just what the Soviets are producing, especially in the hush-hush area of weaponry. Here Western research is doubly cursed: The Soviets seek to keep their arms buildup secret, for propaganda as well as for the clear intelligence purpose of keeping the potential enemy in the dark: What he doesn't know will hurt him.

### Sources of error

Various methods are used to attempt to penetrate the statistical Iron Curtain. All of them are subject to error. One of the most suspect techniques is to gauge Soviet

defense production according to U.S. cost criteria — that is, by material inputs, wages, work time, rented space, resource allocation, technology expense, etc. But establishing equivalence between the United States and the Soviet Union is drastically complicated by the fact that the latter can squander manpower, materials, finances, and resources on defense either by subsidizing defense costs from other portions of the budget (in a concealed way). This obviously throws off applied Western cost-accounting criteria.

Another complicating element is the cheap and manipulated cost of labor in the Soviet Union. Actual wage bills, in any case, for either skilled or unskilled labor hard difficult to come by.

All these unknowns, however, are crossed to some extent by what we know of actual Soviet weapons production, ostensibly via reconnaissance satellite intelligence. We can also gauge the Soviet state of the art in weapons research and development and actual production by what we read in their technical literature. Finally, we have arms data that the Soviets themselves admit to — for example, SALT arms tallies.

When all this is put together, there are, nevertheless, divergencies in estimates of Soviet arms expenditures — most recently between those compiled by the CIA versus those compiled by the DIA.

When the divergencies occur, it is interesting to find that the majority of the press — above all, the *New York Times* — gives greater attention to the lower estimates. The implication is that because DIA is a Pentagon institution and its figures generally are higher for Soviet expenditures than those of the CIA, DIA's statistics are suspect by association, and thus undeserving of as much editorial attention as the figures supplied by the "civilians" at CIA.

What is overlooked here is that the CIA's record is rather dismal as concerns estimates of Soviet weapons production, timing of their

technological breakthroughs, etc.

Be that as it may, both agencies now report a significant upsurge in Soviet military production in the last 2 years. They both agree that up to 17 percent of the Soviet gross national product goes toward the military. And they agree that the Soviets lead us in 26 of 29 major military-weapons categories. Both agencies know that the Soviets enjoy a 7-to-1 advantage over us in long-range intermediate nuclear arms on the European continent and overwhelming advantages in ICBM megatonnage, percentage of ICBM warheads in protected, land-based silos, ICBM first-strike potential, and several more.

### Open to doubt

Whether the CIA is correct in assuming, as one of its officials recently stated, that the Soviets can never again resume its military buildup rates of the detente period before 1976 is open to serious doubt. For its part, the DIA offered a tentative comment of "probably right" to describe this CIA prognosis.

Soviet history, however, tells a different story, in peacetime and in war. The regime's authoritarian ability to pinch its own citizenry in the name of military defense apparently knows few bounds. For us to assume otherwise is naive or dangerous, or both.

Item: According to the *Financial Times* of London, Soviet defense expenditures may be sharply rising this year. The newspaper reported that Gen. Petr Gorchakov, head of the political administration of the rocket forces, "said that defense spending has been raised because of the greater threat from the U.S. and other NATO countries."

He added that Washington hoped to damage the Soviet economy by forcing a switch from the civilian to the military sector but that this would not curtail development. The *Financial Times* noted that even "declared" Soviet military expenditures are up 12 percent for 1985, or far above the CIA estimates for yearly increases from 1976-82.